

R162-2c-201. Licensing and Registration Procedures.

- (1) Mortgage loan originator.
 - (a) To obtain a Utah license to practice as a mortgage loan originator, an individual who is not currently and validly licensed in any state shall:
 - (i) evidence good moral character pursuant to R162-2c-202(1);
 - (ii) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
 - (iii) evidence financial responsibility pursuant to R162-2c-202(3);
 - (iv) obtain a unique identifier through the nationwide database;
 - (v) successfully complete, within the 12-month period prior to the date of application, 15 hours of Utah-specific pre-licensing education as approved by the division;
 - (vi)
 - (A) successfully complete 20 hours of pre-licensing education as approved by the nationwide database according to the nationwide database outline for national course curriculum; or
 - (B) if the individual previously passed the 20-hour national course, obtained a license, and thereafter allowed the license to expire, successfully complete continuing education:
 - (I) approved by the nationwide database; and
 - (II) in the number of hours that would have been required to renew the expired license in the year in which the individual allowed the license to expire;
 - (vii) take and pass the examinations that meet the requirements of Section 61-2c-204.1(4) and that:
 - (A) are approved and administered through the nationwide database; and
 - (B) consist of a national component and a Utah-specific state component;
 - (viii) request licensure as a mortgage loan originator through the nationwide database;
 - (ix) authorize a criminal background check and submit fingerprints through the nationwide database;
 - (x) authorize the nationwide database to provide the individual's credit report to the division for review;
 - (xi) provide to the division all relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
 - (xii) record with the nationwide database a mailing address, if the applicant is not able to accept mail at the physical location or street address that is required to be on record with the nationwide database pursuant to Section 61-2c-106(1)(a);
 - (xiii) complete, sign, and submit to the division a social security verification form as provided by the division; and
 - (xiv) pay all fees through the nationwide database as required by the division and by the nationwide database.
 - (b) To obtain a Utah license to practice as a mortgage loan originator, an individual who is currently and validly licensed in another state shall:
 - (i) evidence good moral character pursuant to R162-2c-202(1);

- (ii) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
 - (iii) evidence financial responsibility pursuant to R162-2c-202(3);
 - (iv) (A) successfully complete, within the 12-month period prior to the date of application, 15 hours of Utah-specific mortgage loan originator prelicensing education; and
 - (B) take and pass the Utah-specific state examination component;
 - (v) provide to the division all relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
 - (vi) record with the nationwide database a mailing address, if the applicant is not able to accept mail at the physical location or street address that is required to be on record with the nationwide database pursuant to Section 61-2c-106(1)(a);
 - (vii) request licensure as a mortgage loan originator through the nationwide database;
 - (viii) authorize a criminal background check through the nationwide database;
 - (ix) authorize the nationwide database to provide the individual's credit report to the division for review;
 - (x) complete, sign, and submit to the division a social security verification form as provided by the division; and
 - (xi) pay all fees through the nationwide database as required by the division and by the nationwide database.
- (2) Lending manager. To obtain a Utah license to practice as An LM, an individual shall:
- (a) evidence good moral character pursuant to R162-2c-202(1);
 - (b) evidence competency to transact the business of residential mortgage loans pursuant to R162-2c-202(2);
 - (c) evidence financial responsibility pursuant to R162-2c-202(3);
 - (d) provide to the division:
 - (i) the individual's unique identifier as assigned through the nationwide database; and
 - (ii) evidence that the individual has taken and passed:
 - (A) the 20-hour national mortgage loan originator prelicensing course; and
 - (B) the mortgage loan originator examinations that:
 - (I) meet the requirements of Section 61-2c-204.1(4);
 - (II) are approved and administered through the nationwide database; and
 - (III) consist of a national component and a Utah-specific state component;
 - (e) obtain approval from the division to take the Utah-specific LM prelicensing education by evidencing that the applicant has satisfied, during the five-year period preceding the date of application, the experience requirement of Section 61-2c-206(1)(d) through:
 - (i) (A) three years full-time experience originating first-lien residential mortgages pursuant to Section 61-2c-102(1)(ee)(i)(A):

- (I) under a license issued by a state regulatory agency; or
 - (II) as an employee of a depository institution; and
 - (B) evidence of having originated a minimum of 45 first-lien residential mortgages; or
 - (ii) (A) (I) two years full-time experience as described in this Subsection (2)(e)(i)(A); and
 - (II) additional full-time experience per the equivalency calculation in Subsection R162-2c-501a; and
 - (B) (I) evidence of having originated a minimum of 30 first-lien residential mortgages; and
 - (II) up to 15 additional points according to the experience points schedule in Subsection R162-2c-501b;
 - (f) within the 12-month period preceding the date of application, successfully complete 40 hours of Utah-specific PLM preclicensing education as certified by the division;
 - (g) take and pass a lending manager examination as approved by the commission;
 - (h) provide to the division all relevant information regarding "yes" answers to disclosure questions found within the application submitted on the MU4 form;
 - (i) record with the nationwide database a mailing address, if the applicant is not able to accept mail at the physical location or street address that is required to be on record with the nationwide database pursuant to Section 61-2c-106(1)(a);
 - (j) (i) register in the nationwide database by selecting the "lending manager" license type and completing the associated MU4 form; and
 - (ii) designate in the nationwide database whether the individual will be acting for the sponsoring entity as:
 - (A) the principal lending manager;
 - (B) an associate lending manager; or
 - (C) a branch lending manager;
 - (k) authorize a criminal background check and submit fingerprints through the nationwide database;
 - (l) authorize the nationwide database to provide the individual's credit report to the division for review;
 - (m) complete, sign, and submit to the division a social security verification form as provided by the division; and
 - (n) pay all fees through the nationwide database as required by the division and by the nationwide database.
- (3) Mortgage entity.
- (a) To obtain a Utah license to operate as a mortgage entity, a person shall:
 - (i) establish that all control persons meet the requirements for moral character pursuant to R162-2c-202(1);
 - (ii) establish that all control persons meet the requirements for competency pursuant to R162-2c-202(2);
 - (iii) register any other trade name with the Division of Corporations and Commercial Code;
 - (iv) register the entity in the nationwide database by:
 - (A) submitting an MU1 form that includes:

- (I) all required identifying information;
 - (II) the name of the PLM who, pursuant to Subsection R162-2c-301a(3)(a)(iv), will serve as the entity's qualifying individual;
 - (III) the name of any LM who, pursuant to Subsection R162-2c-301a(3)(a)(iv), will serve as a branch lending manager;
 - (IV) the name of any individuals who may serve as control persons;
 - (V) the entity's registered agent; and
 - (VI) any other trade name under which the entity will operate; and
 - (B) creating a sponsorship through the nationwide database that identifies the mortgage loan originator(s) sponsored by the entity;
 - (v) register any branch office operating from a different location than the entity;
 - (vi) pay all fees through the nationwide database as required by the division and by the nationwide database;
 - (vii) provide to the division proof that any assumed business name or other trade name is registered with the Division of Corporations and Commercial Code;
 - (viii) provide to the division all court documents related to any criminal proceeding not disclosed through a previous application or renewal and involving any control person;
 - (ix) provide to the division complete documentation of any action taken by a regulatory agency against:
 - (A) the entity itself; or
 - (B) any control person; and
 - (C) not disclosed through a previous application or renewal; and
 - (x) provide to the division a notarized letter on company letterhead, signed by the owner or president of the entity, authorizing the PLM to use the entity's name.
- (b) Restrictions on entity name. No license may be issued by the division to an entity that proposes to operate under a name that closely resembles the name of another entity licensee, or that the division determines might otherwise be confusing or misleading to the public.
- (4) Branch office.
- (a) To register a branch office with the division, a person shall:
 - (i) obtain a Utah entity license for the entity under which the branch office will be registered;
 - (ii) submit to the nationwide database an MU3 form that includes:
 - (A) all required identifying information; and
 - (B) the name of the LM who will serve as the branch lending manager;
 - (iii) create a sponsorship through the nationwide database that identifies the mortgage loan originator(s) who will work from the branch office; and
 - (iv) pay all fees through the nationwide database as required by the division and by the nationwide database.
 - (b) A person who registers another trade name and operates under that trade name from an address that is different from the address of the entity shall register the other trade name as a branch office pursuant to this Subsection (4).

- (c)
 - (i) A PLM may not simultaneously serve as a BLM if Subsection R162-2c-301a(3)(a)(iv)(B) applies.
 - (ii) An individual may not serve as the BLM for more than one branch at any given time.
- (5) Licenses not transferable.
 - (a) A licensee shall not transfer the licensee's license to any other person.
 - (b) A licensee shall not allow any other person to work under the licensee's license.
 - (c) If a change in corporate structure of a licensed entity creates a separate and unique legal entity, that entity shall obtain a unique license, and shall not operate under any existing license.
- (6) Expiration of test results.
 - (a) Scores for the mortgage loan originator licensing examination shall be valid for five years.
 - (b) Scores for the LM exam shall be valid for 90 days.
- (7) Incomplete LM application.
 - (a) The division may grant a 30-day extension of the 90-day application window upon a finding that:
 - (i) an applicant has made a good faith attempt to submit a completed application; but
 - (ii) requires more time to provide missing documents or to obtain additional information.
 - (b) If the applicant does not supply the required documents or information within the 30-day extension, the division may deny the application as incomplete.
- (8) Nonrefundable fees. All fees are nonrefundable, regardless of whether an application is granted or denied.
- (9) Other trade names.
 - (a) The division shall not approve a license for any person operating under an assumed business name that poses a reasonable likelihood of misleading the public into thinking that the person is:
 - (i) endorsed by the division, the state government, or the federal government;
 - (ii) an agency of the state or federal government; or
 - (iii) not engaged in the business of residential mortgage loans.
 - (b) A mortgage entity that operates under another trade name shall register the other trade name by including it on the MU1 form and obtaining the required registration.